

## SENATE BILL No. 426

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 9-25; IC 27-2-21.

**Synopsis:** Proof of motor vehicle insurance. Provides that certain motor vehicles, as proof of financial responsibility, must bear a sticker furnished by an insurer that issues a motor vehicle policy. Specifies the information that must be on the sticker. Provides for a charge of not more than \$1 for each sticker for each motor vehicle covered by the policy.

**Effective:** July 1, 2003.

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January 21, 2003, read first time and referred to Committee on Insurance and Financial Institutions.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## SENATE BILL No. 426

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 9-25-1-6 IS AMENDED TO READ AS FOLLOWS
- 2 [EFFECTIVE JULY 1, 2003]: Sec. 6. **Except as provided in**
- 3 **IC 9-25-4-8.5(a)**, this article applies to a person who is not a resident
- 4 of Indiana under the same conditions as this article applies to a resident
- 5 of Indiana.
- 6 SECTION 2. IC 9-25-3-5 IS AMENDED TO READ AS FOLLOWS
- 7 [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) The bureau shall adopt rules
- 8 under IC 4-22-2 to establish procedures, conditions, and requirements
- 9 concerning the filing of proof of financial responsibility necessary to
- 10 promote and ensure the effective enforcement of this article.
- 11 (b) The rules must regulate the following:
- 12 (1) The effective dates and policy periods of proof of financial
- 13 responsibility.
- 14 (2) The procedure for cancellation of proof of financial
- 15 responsibility by the carrier or the insured.
- 16 (3) The conditions of reinstatement.
- 17 (4) **The manner of providing proof of financial responsibility**



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in a manner similar to the manner provided in IC 9-25-4-8.5(b) to a person who has:

- (A) provided a bond executed with respect to the vehicle under IC 9-25-4-9;
- (B) deposited funds with the treasurer of state under IC 9-25-4-10; or
- (C) been issued a certificate of self-insurance under IC 9-25-4-11.

(5) Any other requirement affecting the purposes for which proof of financial responsibility is filed with the bureau.

SECTION 3. IC 9-25-4-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 8.5. (a) This section does not apply to the following:**

(1) A motor vehicle:

- (A) registered under; and
- (B) bearing a license plate as provided in; IC 9-18-3.

(2) A motor vehicle registered in a jurisdiction other than Indiana.

(b) In addition to the proof that may be provided under section 8 of this chapter, proof of financial responsibility through a motor vehicle liability policy meeting the requirements of this chapter must be evidenced by a sticker that:

- (1) must be displayed on the windshield of a vehicle that has an enclosed driver's compartment; and
- (2) in all other cases, must be carried by the operator of the vehicle.

(c) The sticker must:

- (1) contain the information described in IC 27-2-21-4; or
- (2) otherwise provide proof of financial responsibility as determined under IC 9-25-3-5(b)(4).

(d) The bureau shall determine the proper size and placement of the sticker.

SECTION 4. IC 9-25-4-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 13. (a) This section does not apply to the following:**

- (1) A person who, with respect to the person's motor vehicle:
  - (A) provides a bond executed with respect to the vehicle under section 9 of this chapter;
  - (B) deposits funds with the treasurer of state under section 10 of this chapter; or
  - (C) is issued a certificate of self-insurance under section 11

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of this chapter.

(2) A person who operates a rental vehicle leased for not more than thirty (30) days that is registered in a jurisdiction other than Indiana.

(b) A person may not:

(1) register a motor vehicle; or

(2) operate a motor vehicle on a public highway; in Indiana unless a sticker as described in section 8.5(b) of this chapter is displayed on the motor vehicle.

(c) A person may not operate a motor vehicle on a public highway in Indiana if a sticker described in section 8.5(b) of this chapter that contains false information concerning the motor vehicle is displayed on the motor vehicle or is carried by the operator of the motor vehicle.

(d) A person who violates this section commits a Class C infraction.

SECTION 5. IC 9-25-4-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 14. (a) Judgment may not be entered against the defendant in a proceeding to enforce section 13(b) of this chapter if the defendant proves by a preponderance of the evidence that financial responsibility was in effect with respect to the motor vehicle operated by the defendant at the time of the alleged violation.

(b) A defendant satisfies the burden of proof set forth in subsection (a) if the defendant, within five (5) days after the time of the issuance of the information and summons, produces to the issuing officer or to the headquarters of the issuing officer a certificate of compliance concerning the form of financial responsibility that was in effect with respect to the motor vehicle on the date of the alleged violation in the manner provided in IC 9-25-5-5.

SECTION 6. IC 9-25-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) A person who receives a request for evidence of financial responsibility under section 3 of this chapter shall set forth in the certificate of compliance the following information concerning the form of financial responsibility that was in effect with respect to the motor vehicle on the date in question:

(1) If a motor vehicle liability policy was in effect, the following:

(A) The name and address of the insurer.

(B) The limits of coverage of the policy.

(C) The identification number applying to the policy.



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(2) If a bond was in effect, the following:

(A) The name and address of the bond company or surety.

(B) The face amount of the bond.

(3) If self-insurance was in effect under IC 9-25-4-11, the following:

(A) The date on which the certificate of self-insurance was issued by the bureau.

(B) The name of the person to whom the certificate of self-insurance was issued.

(b) A person who requests information or verification of coverage to complete a certificate of compliance under subsection (a) from:

(1) an insurance company; or

(2) an insurance agent;

is not required to give the company or the agent a reason for requesting the information unless the person has been involved in an accident.

**(c) The information set forth in subsection (a) may be provided as a defense to a violation of IC 9-25-4-13(b), as set forth in IC 9-25-4-14(b).**

SECTION 7. IC 27-2-21 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]:

**Chapter 21. Proof of Motor Vehicle Insurance Coverage**

**Sec. 1. As used in this chapter, "minimum amounts of financial responsibility" refers to the amounts set forth in IC 9-25-4-5.**

**Sec. 2. (a) As used in this chapter, "motor vehicle policy" means a policy providing one (1) or more of the kinds of insurance described in IC 27-1-5-1, Class 2(f) and Class 3(d).**

**(b) The term includes a commercial motor vehicle insurance policy or a policy intended to cover a vehicle that is owned by a business firm and used for business purposes.**

**Sec. 3. An insurer that issues a motor vehicle policy:**

**(1) in Indiana; or**

**(2) for delivery in Indiana;**

**shall provide to the insured a sticker when the motor vehicle policy has been issued for at least the minimum amount of financial responsibility.**

**Sec. 4. The sticker required by section 3 of this chapter must meet the requirements determined by the bureau under IC 9-25-4-8.5. These requirements include the following:**

**(1) The vehicle identification number of the motor vehicle.**

**(2) The date of expiration of the term of the policy period.**

**(3) The policy number of the motor vehicle policy.**



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(4) The name of the insurer issuing the motor vehicle policy.

Sec. 5. A motor vehicle policy that is issued:

(1) in Indiana; or

(2) for delivery in Indiana;

may contain a provision for a service charge of not more than one dollar (\$1) for issuance of a sticker as provided in section 3 of this chapter for each motor vehicle covered under the motor vehicle policy.

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